

Opposes bill terminating NSP that would be bad for Chicago,

for Latinos, and entire Nation

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FOR IMMEDIATE RELEASE

**(Washington, DC)** – *Today, Rep. Luis V. Gutierrez (D-IL), the ranking Democrat on the Insurance, Housing and Community Opportunity Subcommittee of the House Financial Services Committee, submitted the following statement for the record during the floor debate of H.R. 861 (The Neighborhood Stabilization Termination Act):*

I rise today in opposition to the Neighborhood Stabilization Termination Act, or H.R. 861, a bill to eliminate the Neighborhood Stabilization Program (NSP). I would like to shed light on the positive impact the Neighborhood Stabilization Program has had on neighborhoods and communities across the country and particularly in Chicago, Illinois, as well as dispel myths my Republican colleagues have been passing off as the truth.

The Neighborhood Stabilization Program is one of several programs targeted for elimination by House Republicans. These are programs that are helping middle-class and working-class Americans avoid losing their homes through the calamity of foreclosure. While imperfect, these programs are literally keeping a roof over people's heads, keeping families together, and preserving the fabric of American neighborhoods.

Let's not forget, Congress bailed out financial institutions when they hit rock bottom and Congress acted to shore up the economy when it was on the brink of a deeper crisis.

But now Republicans are saying we can't afford programs that lend a hand to American homeowners in their hour of greatest need? That's not the America I know, that's not the America that families need, and that is not the America we were sent to Washington to protect. Let's help our neighbors and our neighborhoods and not leave them to fend for themselves during these tough times.

Recently, several worthy and notable organizations, such as Chicanos Por la Causa (CPLC), have been specifically targeted by my Republican colleagues for the funds they've received under the Neighborhood Stabilization Program. Let me make this clear, Chicanos Por La Causa is the lead applicant for a national consortium of non-profit affordable housing developers that have received federal funding to revitalize neighborhoods in eight states and the District of Columbia that have been negatively impacted by foreclosures and abandoned properties. CPLC, which was awarded \$137 million to address foreclosed and vacant properties, submitted one of the highest scoring grants. The grant to CPLC increased the equitable allocation of NSP funds by providing the Department of Housing and Urban Development (HUD) with important tools to help American communities. Specifically, it provided HUD with a method for investing through 13 consortium members in a mix of urban and rural communities that have been hardest hit by the foreclosure crisis, and in predominately Latino communities through organizations that provide culturally and linguistically competent services.

Currently, there are approximately 1.3 million Latinos who are in the process of foreclosure or have already lost their homes. There is no doubt the Latino community has been disproportionately affected by the foreclosure crisis. For this reason, Chicanos Por La Causa, together with the National Association for Latino Community Asset Builders, have helped blighted communities repair the devastation and distress that comes with abandoned properties. The Resurrection Project is one of the organizations under this consortium that is in my own backyard in Chicago. The Resurrection Project has served the Back of the Yards community in my district by investing \$12 million in NSP funds to help stabilize the community. Back of the Yards is one of the poorest and most blighted communities in my district and one of the hardest hit by the foreclosure crisis. These funds will certainly assist with the recovery efforts and revitalize this historic neighborhood in the city of Chicago.

Mr. Speaker, our nation is facing extraordinarily dire economic times. American homeowners, our neighborhoods, and our communities do not deserve to have Congress turn our backs on them in the hour of greatest need. I believe the Neighborhood Stabilization Program is vital to our states, to our cities, and to our communities that have been hardest hit by the largest housing crisis of our generation. This is why I am opposing the Neighborhood Stabilization Termination Act. Two weeks ago I submitted a letter for the record during the Insurance, Housing and Community Opportunity Subcommittee hearing on foreclosure mitigation programs targeted for elimination. The [letter](#) was submitted on behalf of the National Association of Counties, National League of Cities, U.S. Conference of Mayors, National Community Development Association, National Association for County Community and Economic Development, Council of State Community Development Agencies, and the Enterprise Community Partners, Inc., all of whom support this very valuable neighborhood revitalization program. I ask my colleagues to stand with our neighborhoods and our communities and vote no on this bill.

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 [Letter of Support for the Neighborhood Stabilization Project](#)

